YOUR WEEK IN CHINA'S CAPITAL

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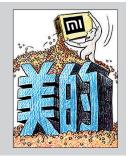
### Charity Boxes Cheat China's Faithful

Temples are borrowing money meant for monks to fuel their business projects. **Page 4** 



### Xiaomi Aims for Smart Homes with Midea

Without patents or innovation, Xiaomi is trying to enter the smart home market. **Page 5** 



### Embezzlement the Norm in Research

Less than 40 percent of the government's grant money is going to research. **Page 6** 





## Stronger Gmail Blackout Shakes Chinese Business

BY LI RUIQI

After six months of limited access, China's Internet regulators moved to completely block access to Google's popular Gmail service on December 27.

Gmail's troubles on the Chinese mainland began on May 31 when an adjustment to the national firewall blocked all connections to Google's server using the standard Web ports of 80 and 443.

In the following months, many users turned to third-party mail clients such as Foxmail and Outlook to access their Gmail mailboxes using mail transfer protocols rather than the Web.

A blogger and national firewall analyst writing under the name yueguangboke said the new block moves the Gmail ban to the IP level.

With more than 35 million registered users, Gmail has become an essential tool for personal and business use in China. The sudden block has created significant challenges for companies that deal with international trade or education.

"I am still waiting for a response to my application to a graduate program in the UK. Now I'm worried I may never see whether I was accepted," said Xu Yuelin, a senior at Beijing Foreign Language University. A spokesman for Google said the company's mail system was not to blame for the outage. The announcement came only days after Hua Chunying, the spokesperson for the Ministry of Foreign Affairs, announced that the Chinese government remains dedicated to cultivating a welcoming business environment for foreign investors.

Until the government chooses to unblock Gmail's IP addresses, the service will only be accessible through VPN.

"VPN is the best way to revive your Gmail and the only way to restore access to Instagram and Facebook in China," said

### **CHINESE STOCK INDEXES**

### SSE (Shanghai)

Close Change YTD 3,234.68 +68.86 (2.18%) +57.95%

### SZSE (Shenzhen)

Close Change YTD
11,014.62 +292.36 (2.73%) +38.48%

### **HSI (Hong Kong)**

Close Change YTD 23,605.04 +103.94 (0.44%) +5.31%

Accurate to market close on December 31, 2014











#### **BY YANG XIN**

hen parents go to prison, it's the children who are left to pay. Across the country, a million children are falling through society's cracks and being left to starve or die once their families are locked up.

Children whose parents are in prison are denied basic rights and face numerous problems, said Koen Sevenants, general director of the Morning Tears Alliance charity.

A survey conducted by Anhui Agricultural University found that the children of prisoners usually end up with their grandparents or abandoned. As recently as June 2013, two girls in Nanjing were left to starve to death after their father was convicted and sentenced to prison.

Even those children who have a mother to depend on suffer greatly. Data from the All-China Women's Federation showed that more than half of Chinese moms with a spouse in prison have to survive on less than 200 yuan per month.

An investigation in 2010 also found that the children of prisoners are 20 times

**20 Nursing Moms** 

**Unite to Save Baby** 

more likely to drop out of school than their peers.

"In the end, prison hurts criminals less than it hurts their families," said Huang Jinliang, chief of the Prison Education Section in Putian, Fujian province.

The interests of children are seldom taken into account in the Chinese judicial process.

According to a statement by the Third Intermediate People's Court of Chongqing, the Constitution and Convention on Children Rights does nothing to safeguard minors whose parents are serving sentences.

Even the prison visit arrangements are far from reasonable, Sevenants said.

"In China, the standard prison visit arrangement is once a month for 15 minutes. Conversations are behind glass and via phone. But often, visitation is only allowed on school days and the cost to reach the prison is prohibitive," he said. "Implicitly, the child's right to visit is denied."

Prisons further restrict family visits as a punishment for bad behavior in prison, he said.

Sevenants said the government could ease its emotional punishment of prisoners' children by allowing longer and more frequent child visits in a childfriendly setting.

"With or without existing laws, doing something about this is the government's responsibility," said Chen Youhua, dean of the Department of Sociology at Nanjing University.

"The thing is, the nation is not willing to, or is incapable of taking responsibility," Chen said.

The Ministry of Civil Affairs first addressed the issue of prisoners' children under the name of "children without actual safeguards" in 2006. "Minors who have lost their parents to prison or other causes may be properly settled in accordance with relevant legal provisions," according to the guidelines.

Unfortunately, the ministry has never specified which department should be

# responsible for such resettlement.

Photo by Beijing Youth Daily

**BY LYNNE WANG** 

ine-month-old Xiaomada has been in the news since a series of her pictures began circulating online. But the attention has less to do with the chubby infant's cute photos than the story of 20 nursing mothers who came together to save her.

Xiaomada's parents had deep expectations that she would be healthy and strong. The couple lost their first baby four years ago due to its weak constitution.

Xiaomada was born with similarly poor health. She suffered from severe pneumonia and respiratory failure and was sent to the ICU immediately after delivery. Although the girl recovered, a bout with breast cancer in 2006 left her 36-year-old mother Liu Fengli unable to breastfeed her.

"Xiaomada suffered a lot since her birth. I want to give her the best - decent food that can strengthen her body instead of unsafe baby formula," Liu said.

Liu shared her story on an online BBS several days after Xiaomada's birth. Many nursing mothers were moved and volunteered to send their extra milk for free.

Liu and I knew each other through the Internet. Life has been unfair to her and the baby, and I don't mind to contribute some of my milk," said Sun Li, a donor who sent 600 milliliters of fresh milk every day for the last six months.

Thus far, more than 20 mothers from Beijing's districts of Tongzhou, Miyun, Jiuxianqiao and Andingmen have contributed their milk. Most sent along their health reports and a "production date" with each bag of milk.

Six months later, Xiaomada weighs 11 kilograms and has grown to 74 centimeters.

"I deeply appreciate the contributions of all these donors," Xiaomada's grandmother said in an interview with Beijing Youth Daily. ■

### **Developers Send HIV Patients to Scatter Community**

BY LI RUIQI

Residents of the Sanchang community in Nanyang, Henan province have been in a panic since several men began threatening to infect them with the HIV virus if they do not relocate immediately.

A resident named Jin Meizhen said the men keep coming to her door with what appear to be small vials of blood and saving that they are ill and will infect her if she doesn't vacate her home. "I can't sleep at night because they set off fireworks to keep us awake," she said.

'We turned to the police, but all they do is show up and issue an oral warning," said Zhang Zhenduo, another resident whose window was shot out with steel ball bearings after he identified several of the men to the police.

Red graffiti that reads "AIDS Demolition Crew" is now ubiquitous throughout the community.

On December 29, local police detained five of the men and their organizer Liu Huzi. The men said they were being paid 100 yuan per day by the Nanyang Yi'an property development group to force out Sanchang's residents.

Located in central Nanyang, the Sanchang community was scheduled for demolition in late 2011 to make way for new office buildings. However, Nanyang Yi'an never went through the formalities necessary to demolish the community.

"If they don't go through the formalities, we cannot get a Certificate of Resettlement with Ownership. That's why we refuse to relocate," said Yang Jinyou, a resident.

China's urban reconstruction process requires the government to first allocate a sum of money to resettle residents before the cleared land can be procured through open tender. But few locals can afford to pay the resettlement funds beforehand.

As an alternative, sometimes the government compromises and allows real estate developers demolish the homes early on the condition that developers foot the resettlement bill.

The local government denied any knowledge of the plan to hire HIV positive men to harass local residents. However, 31 staff members at the government's Meixi sub district office appear on the list of "annual bonuses" awarded by Nanyang Yi'an this year. ■





## Antibiotics a New Threat to Nation's Water

BY DIAO DIAO

ntibiotics are being recognized as the latest major contaminant in China's shrinking water supplies, according to a study conducted in October and November.

In Nanjing, tap water in many homes was found to contain significant amounts of antibiotics. Water in Shandong province near the Shandong Lukang Medicine factory was found to have an antibiotic concentration 10,000 times greater than the average sample nationwide.

Water resources and drainage channels located near pharmaceutical companies and poultry farms in the country's northeast and central regions showed similar elevations.

Shenyang's water in particular contained multiple antibiotics in shockingly high concentrations. The antibiotic 6-aminopenicillanic acid was found in concentrations of up to 178 nanograms per liter. Concentrations of ampicillin

and amoxicillin both exceeded 100 nanograms per liter.

Wang Jin, head of the Water Science Department at Beijing Normal University, said the numbers were shocking.

Wang said water samples from the mouths of rivers and many lakes showed that the majority of China's water is being contaminated with antibiotics.

The Pearl River in Guangdong province was seriously polluted with anhydroerythromycin being found in concentrations of 460 nanograms per liter – more than four times the European standard.

Shenyang Antibiotic Factory refused to answer questions, or allowed CCTV reporters to enter its factory.

A student in Shenyang who studies in a nearby school said that factory discharges its medical waste into a 1.5-meter deep sewage ditch nearby. "Our teachers told us not to drink any water that comes out of

the tap. The water is not clean," he said.

A woman surnamed Zhang who lives in a residential community on the west side of the factory said their community runs out of water every few days. The water does not smell strange, but it tastes awful, she said.

According to Ind.com.cn, Shenyang Antibiotics Factory has been fined repeatedly for dumping its medical waste into the water reservoir. In March, the Environmental Protection Department fined the factory for discharging too much sulfur dioxide.

Shenyang Antibiotic Factory is directly supervised by the local government. Its sewage fees are the third highest in Liaoning province and total more than 466,000 yuan for a quarter.

The Shenyang government said the factory would be relocated at the end of 2015 to prevent further damage to local groundwater.



### **Drunken Bomber Gets Jail Time**

Fuelled by baijiu and alone in his hotel room, the 40-year-old Xu made an immensely stupid decision on the evening of August 28: he phoned the Shanghai police and told them he was going to bomb Xueyuan Road.

Police shut down the road and dispatched 50 officers to comb the street for a bomb. When none could be located, they traced the call back to Xu's hotel room.

Xu attempted to present his behavior as a harmless, drunken prank. The Huangpu District Court didn't see it that way and sentenced him to a year in jail on December 16. (Shanghai Daily)

### Man Caught With Ceiling Full of Bras

In a case of real life mimicking anime, a man in Guangxi province was caught with more than 2,000 bras stuffed into his ceiling. The discovery follows months of reports of underwear theft by nearby female residents.

The thief, surnamed Tang, was caught on hidden camera stealing about in a home he had previously raided.

Police said Tang was entering his neighbors' homes using a master key for the locks in their apartment complex. He told police he has had a "mental illness" since childhood and knows not why his is so obsessed with women's underwear.

(iFeng)

### **Silent Night Snatcher Skips Cash, Grabs Dildos**

A sex shop owner surnamed Jiao was shocked to find his store smashed open on the morning of December 25. He was more shocked to find that no one took the cash or computer.

A review of surveillance video footage showed a man in a hat smashing the glass door at 11:45 pm. The man entered the shop and left after only three minutes.

After counting his inventory, Jiao found that only 10 sex toys were missing. The devices had a combined value of about 5,000 yuan.

(Xinhua)

### **Husband Pimps Out Wife** to Sell Umbrellas

Zhang and Li met in 2005 and married soon after. After working and saving for a few years, they decided to chase their dreams by going into business for themselves and opening an umbrella factory in Anhui province.

Unfortunately, the umbrella market has not been one of China's most lucrative during the last few years.

In order to lure in orders, Zhang asked his wife to exchange texts, eat dinner, accompany the clients to KTV and perform sexual favors for particularly big clients.

When their marriage began to fall apart, Zhang hired several young women to fill Li's role. They ultimately decided to divorce and split their assets equally last month.

(Wenxue City)

## Screenwriter's Lawsuit a Win for Copyright Enforcement

BY DIAO DIAO

Popular romance screenwriter Qiong Yao won her lawsuit against fellow screenwriter Yu Zheng for plagiarism on December 25 in the Third Intermediate People's Court of Beijing.

The court found that Yu's *Gong Suo Liancheng* was an unlicensed adaptation of Qiong's popular *Meihua Lao* and awarded her 5 million yuan and a public apology from Yu and four other defendants named in the lawsuit.

Qiong is best known for her popular *Princess Pearl* series in the late 1990s, as well as *Yi Lian You Meng* and *Meihua Lao*.

Many of her stories have been adapted into TV serials.

As one of China's younger screenwriters, Yu Zheng's works have been highly controversial. Viewers have been especially fond of poking fun at Yu's questionable casting choices in his remakes of such classic series as *The Brave Archer* and *The Condor Heroes*.

Wang Xingdong, president of the Chinese Society of Film Literature, said Qiong's lawsuit could have far-reaching consequences in an industry rife with plagiarism.

More than 100 screenwriters and other



film industry workers came out in support of Qiong during the last eight months.

Critics said many of Qiong's supporters seemed to be more jealous of Yu's fame than in agreement with her copyright claim. Others worried that strict limits on imitation and an increased focus on original work could work to decrease new ideas.

Unlike many writers, Qiong enjoys a certain amount of respect and clout that brought her lawsuit to attention. Her victory remains an outlier in the Chinese legal system. ■



## Law No Barrier to Temples' Fake Charity Boxes

BY DIAO DIAO

he Tanzhe Temple was at the top of almost every Chinese news ticker on December 20, but not for its famous beauty.

Tanzhe Temple is at the heart of a new controversy in China's religious community after an in-depth report exposed how the religious site's legal owner placed fake donation boxes throughout the temple to funnel donations away from the monks into the company's own coffers.

While the municipal government asked the temple to immediately remove its "fake" charity boxes, that demand is unlikely to stick. Experts say the tourism companies behind most temples face no legal penalty for their deception.

### The Case

Located in the rolling hills of Mentougou, the Tanzhe Temple is one of the oldest religious structures in Beijing and a pilgrimage site for devout Buddhists.

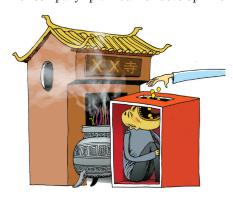
The temple's day-to-day religious operations are conducted by a number of monks who are primarily supported by the charity of visitors. More than 70 charity boxes throughout the temple ask for such donations.

But a careful examination of the boxes found that 53 were labeled as "Charity Box" (Gongde Xiang) while the others were labeled using a Buddhist phrase with a similar meaning (Guang Zhong Fu Tian).

The latter boxes, beaten and aged, are

the only ones used to supply the temple's monks, according to one monk who asked not to be named. All other charity boxes are claimed by Beijing Jingxi Tourism Development, a tourism company and the legal owner of Tanzhe Temple.

An IPO report published by Beijing Jingxi Tourism Development in 2010 said the company planned to develop the



Tanzhe Temple area into a Level 5A sightseeing destination with an investment of more than 118 million yuan. A private stock offer by China Huali Group would cover 78 million yuan with the rest to be paid by the tourism company.

It's not difficult to connect the new fake charity boxes to the report.

A staff member at the nearby Jietai Temple said their temple had also hiked its admission fees and placed fake charity boxes since the release of the IPO report.

The Regulations on Religious Affairs,

last updated in 2005, stipulate that nonreligious entities cannot organize or hold religious activities or accept religious donations.

Accordingly, the temple's operating company has been asked to remove its fake charity boxes. But the problem is far too widespread for the Tanzhe Temple's operators to face punishment.

### **Nationwide Problem**

The Famen Temple in Baoji, Shanxi province was exposed for a similar practice in 2013.

When a finger bone of the Sakyamuni Buddha was discovered in the temple in 1987, pilgrimage to see the relic became a significant source of money. *Southern Weekly* reported the temple placed 21 charity boxes labeled "Famen Temple Charity Fund" throughout the temple to collect 8 million yuan.

In addition to charity boxes, the temple's operating company began selling sponsorships. Sponsorship in Buddhism usually entails regular donations of food or clothing, but the Famen Temple accepted only one kind of sponsorship: cash.

Supporting the 10 Bodhisattva along the Buddha Avenue cost 10 million yuan. The three in the relic tower were priced 30 million yuan, 40 million yuan and 50 million yuan. To sponsor the tower itself cost a whopping 100 million yuan.

The Famen Temple Group laid claim to all sponsorship money.

To encourage donations and sponsorships, the group offered a commission to staff members and tour guides who persuaded visitors to donate money to Buddha. Commission payouts ranged from 5 percent to 15 percent depending on the amount of money spent.

Zhao Ye, a visitor from Qinhuangdao, Hebei province, said she was persuaded to spend 120,000 yuan when she visited the temple.

"I put 300 yuan into the charity box. Then a monk impersonator told me I had a fate with the temple's Buddha and I should support it throughout my life by spending 100,000 yuan," Zhao said.

When she refused to support a second Buddha, she was charged 9,999 yuan for a scripture reading and told to put another 999 yuan into the charity box for the Buddha she already supported.

A week later, Zhao received a text message from the monk showing the pictures of a newly built Buddha with her name and date on it. She realized something was wrong when the picture featured the wrong date.

It was only when she tried to complain that she learned the Famen Temple Charity Fund and the temple itself were actually completely different.

Wang Tianding reported a similar experience. He chose to participate in the temple's free scripture copying activity. When he finished, he was bullied to pay a fee and have his copy stored in a locked drawer in the temple.

In some online forums, people shared stories of being pressured to buy consecrated jade Buddhas, ring the bells at festivals, touch a Buddha and have their fortune told.

### Solution and the Law

The commercialization of religious affairs continues to be a problem in China as management companies prey on the faithful in the name of Buddhism. The government's refusal to pursue punishment or tighter regulation has only emboldened them.

The most recent amendment to the religious management law published in 2012 prohibits non-religious groups from placing charity boxes but still falls short of specifying a punishment.

The Beijing Buddhist Association said the fake charity boxes in Tanzhe Temple are guaranteed to return within the next week.

In recent years, much discussion has focused on protecting the structures of the temples themselves. It's often hard for visitors to figure out which sections of a historic temple are considered a sight-seeing location and which have a religious function.

Guangming Online said that the Famen Temple in Shanxi province blurred the line between commercialized tourism and religion and its escape from punishment set a bad precedent.

The Jinan Ethnic and Religious Affairs Bureau in Shandong province published a notice in 2013 that set a limit on the number of charity box in temples. The bureau maintains a publicly available list of which temples are allowed to have charity boxes and how many each is allowed.

While it's too early to say whether this will tie the hands of predatory temple managers, it's a good first step to driving a wedge between secular management and the monks the faithful hope to support.

### Xiaomi's Steps into the **Smart Home May be Foolhardy**

BY LYNNE WANG

he marriage between an emerging IT firm whose market value was recently estimated at \$40 billion and a 46-year-old home appliance giant has been attracting public attention.

On December 14, Xiaomi bought a 1.27 million yuan stake in Midea and became one of the latter's largest shareholders. According to their announcement, Xiaomi and Midea will collaborate to develop products for smart homes, mobile Internet and e-commerce.

While the digital age has no shortage of partnerships between technology firms and traditional enterprises, the case of Xiaomi and Midea is a little different. Xiaomi has long been seen as the golden child of Chinese startups, and its expansion into the competitive smart home battleground comes without patents or technological innovation.

Founded in 2010, Xiaomi become a legend for its rapid growth. With its user-friendly MIUI operating system, low-prices and hunger marketing, the smartphone maker came to dominate the domestic market in only four years.

With more than 57 million products shipped in the past four years, Xiaomi has become the most popular smartphone with a 14 percent market share in China. Research by International Data Corporation shows that Xiaomi is also the third largest smart phone maker worldwide, tailing only Apple and Samsung.

But Xiaomi seems to have bigger ambitions than to be a leading smartphone brand. In the last two years, the company has expanded its product line with intelligent routers, Internet TV and air filters. As it enters further into smart home territory, its cooperation with Midea will be essential.

"Our partnership will allow us to develop a digital ecosystem in which Xiaomi's devices and Midea's home appliances can be perfectly connected," said Lei Jun, CEO of Xiaomi. The appliance maker also brings Xiaomi its sales channels, branding and sourcing experience, said Wang Jianyu, a reporter for Huxiu Daily.

"For Xiaomi, the cooperation with Midea is just a start. It might collaborate with more hardware manufactures to turn any device into an intelligent terminal and manipulate the entire smart home," Wang said.

But criticism from Dong Mingzhu, CEO of Gree, was aimed to pull Xiaomi's smart home dreams back into reality. Just a day before the announcement of Xiaomi and Midea, Dong called the partnership "a marriage between two liars."

"Putting two second-class firms together will not make a great giant. Midea is a firm whose success is built on patent infringement and false advertising,

and Xiaomi's success comes from endless marketing without any important innovation," Dong said.

As the leader of a home appliance giant, Dong's words smacked of disdain for key rivals and sour grapes over a lost battlefront.

But Dong is not entirely wrong. Xiaomi is paying for its mythical growth as the firm is repeatedly drawn into intellectual property scandals.

On December 9, Xiaomi released its new smart air filter. In less than a week, IT circles were buzzing about how it was a pirated version of the Japanese Air Engine.

"While there was no legal judgment on whether Xiaomi's air filter committed copyright infringement, its appearance was not distinctive and would confuse general consumers," said Chen Jiying, a business observer.

A lack of core patents and technologies has also led Xiaomi to face obstacles when expanding into foreign markets.

On December 12, Xiaomi said it would temporarily suspend the sale of Xiaomi

phones in the Indian market. The suspension may be due to Ericsson's ongoing suit against Xiaomi for infringing on several of its patents related to wireless network connections.

"The nightmare might go on," said Neil Mawston, CEO of Strategy Analytics. "Although Xiaomi could become the largest smartphone seller in China without the support of competitive patents, that weakness will crush it when it expands into the American and Japanese market, which have strict intellectual property laws."

"Also, other foreign companies who hold core patents will regard the case in India as a red alert to target Xiaomi," Mawston said.

In addition to the lack of innovation. the competitive smart home environment will also be a problem for Xiaomi, industry insiders said.

'When Lei turned his aim to the smart home filed, his rivals were no longer traditional home appliance makers such Gree or domestic phone makers like Meizu and Huawei. He is now competing cent," said Yi Sha, an IT analyst.

Indeed, all the domestic IT giants are heading for the smart home arena.

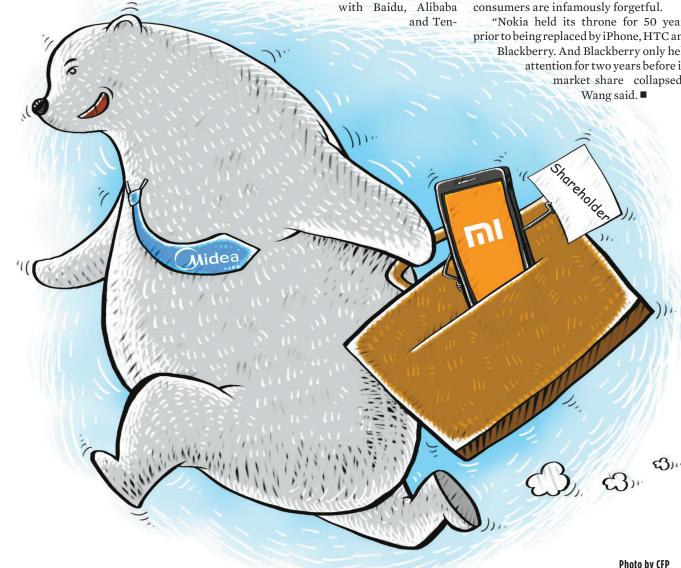
With the help of Ali Cloud, Alibaba integrating its platform with the Internet of Things, Baidu's Baidu Inside aims to win over hardware makers with advances in speech recognition, location-based services and video decoding. Tencent is also collaborating with smart hardware makers to put its WeChat into other devices.

The smart home strategy for Baidu, Tencent and Alibaba is to build an ecosystem and then develop hardware, Yi said.

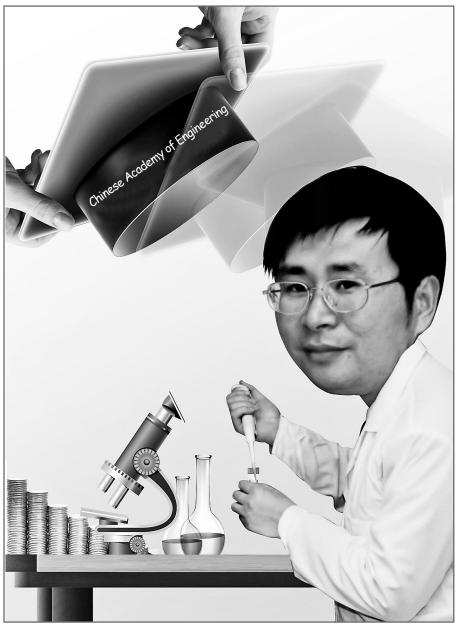
"But what Xiaomi did is exactly the opposite. Lei was familiar with Internet business when he applied Internet logic to the traditional telephone industry. His triumph depended on the absence of competitive technology firms. He is going to find that the smart home industry will be a fierce battle," Li said.

Low-priced smartphones and a mobileecology based on MIUI have allowed Xiaomi to grab market share, but the digital product landscape changes fast and consumers are infamously forgetful.

'Nokia held its throne for 50 years prior to being replaced by iPhone, HTC and Blackberry. And Blackberry only held attention for two years before its market share collapsed," Wang said. ■



### Long Shadow of Embezzlement Falls on Chinese Research



Li Ning, an academian at the Chinese Academy of Engineering, became one of the first professors busted for embezzling scientific research funds last year.

Photo by CFP

### **BY YANG XIN**

close examination of how 30 universities manage their scientific research funds found that five scholars embezzled more than 16 million yuan in research funds.

Based on the revelation, it's not surprising that less than 40 percent China's scientific research funds are actually used to support scientific projects, the China Association for Science and Technology said.

Although China ranks second in the number of scientific articles published in magazines and journals, no Chinese scientist has ever won the Nobel Prize in Science.

"Individual scientists should not take all the blame," said Cong Cao, an expert on Chinese science policy at the University of Nottingham. That such corruption is even possible demonstrates "something is terribly wrong with how research grants are allocated and managed in China," he said.

The system's total lack of transparency and oversight makes it fertile ground for corruption, Cong said.

### Fapiao the Fatal Flaw

The problems begin with the budget sheets.

Professors who wish to apply for a project must "correctly" fill out a budget sheet with expenses separated into 11 categories such as meeting costs, consulting fees, travel expenses, international communication expenses and equipment costs.

"One trick is to just pack the sheet to the brim with costs," said Wang Liang (pseudonym), an associate professor at a southern university who wished to remain anonymous. "We're always told to claim costs in every single category because it "looks more professional."

"The sheet requires applicants to fill out the specific frequency, destination and expenditure for each investigation and survey that will be involved in their projects. But how do I know exactly where, when and with whom I will go for my investigation during the next four years?" he said.

After the project is approved, the excess funds create hundreds of opportunities for project leaders to the grab cash for themselves.

"National natural science foundation projects, once approved, are seldom short of money. At the year end, project leaders withdraw the remaining funds by submitting handfuls of invoices or hiding the money under the name of another company," said Wang Jie (pseudonym), a graduate doctor of medicine. "Whether any of that money ends up used on research is uncertain, but unlikely."

The current scientific research system requires that professors hand in tax invoices for reimbursement. However, because the actual expenditures rarely match the budget, project members are asked to forge applicable invoices to collect the remainder of the money.

### **Oversight Just a Formality**

School administrators have little incentive to exercise tighter control over project budgets. The number of projects and the amount of money they are granted are seen as key metrics for national school rankings.

In fact, scholars and professors are strongly encouraged by universities to file research project applications even for projects that are guaranteed to become vaporware. Once approved, the school skims off a certain amount of the money for administrative costs and looks the other way as professors decide how to spend the rest.

Supervision bodies within universities exist in the name only, Wang said.

"We merely examine the validity of the invoices submitted by professors regardless of the rationality of their expenditures," said an auditor who refused to be named. "There is already a Scientific Research Office within the school that is supposed to take charge of checking the rationality."

Short of effective supervising powers from the outside, human relationship becomes a practical tool for project leaders to access scientific grants.

Corruption scandals in Foshan's scientific grant system last year exposed some of the huge loopholes in local project supervision. In those cases, staff from the Foshan Science and Technol-

ogy Bureau colluded with enterprises to pocket scientific subsidies from the government.

Authorities who have the power of approval take bribes in exchange for a green light, said Wang Yuan, head of the Chinese Academy of Science and Technology for Development under the Ministry of Science and Technology.

Xinhua reported that one researcher who refused to be named said a scientist could gain "a sum of money" from the ministry as long as he is "diligent enough" in establishing contacts in these departments.

### **Absence of Laws**

China has no national laws regulating how government research funds are to be used.

"Most of the stipulations concerning scientific research projects are written in a careless way that could never work to prevent the embezzlement of academic funds," said Ren Jianming, a professor of Integrity Education and Research Center, Beihang University.

The Guidelines for Sponsorship in National Nature and Science Funding Projects contain only 30 clauses. For comparison, the rules governing the use of US government grants fill a 168-page book and include all kinds of restrictions on behavior.

Zhen Zhen, a deputy procurator general at the Beijing Municipal People's Procuratorate, said that the administrative departments are in such a chaotic mess that it's impossible to track down who is responsible for misdirected scientific funds.

"Unless there comes to be some national-level legislation for this field, I suspect that all the professors and administrators I meet with might eventually end up in prison," Zhen said.

Wang Mengshu, an academician at the Chinese Academy of Engineering, said the corruption hinges on a lack of effective evaluation and assessment strategies for scientific research projects.

"At present, we base our approval on a briefing and thesis by the project leader. However, the application and practical effects of the findings are never evaluated or assessed," Wang said.

Wang also said most of the ministry's departments in charge of fund disbursal are not staffed by the kinds of academic who could examine research projects with a more critical eye.

"Most scientific research projects focus on specific issues in professional fields and require expert assessment before approval. Such assessment is simply not happening," Wang said. "The ministry's approval of totally useless projects sows the seeds for future corruption." ■







014 Miss Korea winners and Kwon Youngse
Photos by Venus Lee

## Cultural Night Shares Korean Culture, Kimchi Recipes

BY YANG XII

he 2014 China Korea Culture Night closed out the year in style with an introduction to the country's traditional culture and a class in kimchi making on December 24.

Co-hosted by the Korean Embassy and Crowne Plaza Sun Palace Beijing, the night's activities included a performance by the Jun Eun Ja Dance Company and several Korean musicians. The performances combined South Korean folk dance with original music from popular TV dramas.

A fashion show in which Korean hairstyle designers introduced 2015's trends in hair followed the dance. In order to better promote Korean culture, the Korean Culture Center of Beijing invited three finalists from the 2014 Miss Korea pageant to present Culture Night. Kwon Youngse, the South Korean Ambassador to China, nominated the three as image ambassadors for Korean culture.

The annual national beauty pageant is used to select Korea's representative to the Miss Universe, Miss International and Miss Earth pageants. The three image ambassadors will play an active role in the promotion of Korean culture in China in 2015. Kwon said.

The ambassador interacted with the audience during Culture Night by playing

popular Korean mobile games. The games helped the ambassador find common ground with gamers and introduced nongamers to some of Korea's most popular software products.

The kimchi pickling lesson took place in a spacious room for 300 people in the Crowne Plaza Sun Palace. Guided by Bai Shuonan, head chef of the Walkerhill Culinary Development Center, participants learnt how to prepare their own kimchi.

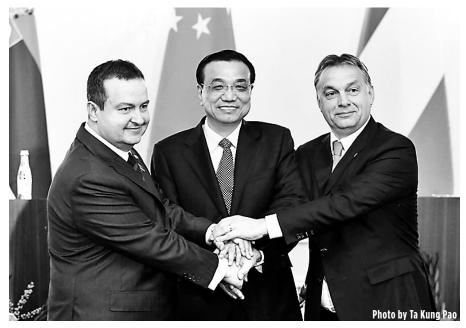
The Korean Culture Center in Beijing said the kimchi pickling activity was chosen to commemorate the successful listing of Kimchi as a UNESCO World  $Intangible \ Cultural \ Heritage.$ 

"China and South Korea share many similarities in culture and that means we can work together in politics, economics and culture," Kwon said.

The China Korea Culture Night is supported by the Embassy of the Republic of Korea, the Korea Tourism Organization, the Korea Creative Content Agency, the Korea Copyright Commission and the Korean Film Council.

The Korean Culture Center is preparing new activities for 2015 that include tourism and photography exhibitions, a Hanbok costume exhibition and Korean cuisine tasting. ■

### China to Connect Serbia, Hungary by High-Speed Rail



### **BY YANG XIN**

Prime Minister Li Keqiang signed a deal with Aleksandar Vucic, premier of Serbia, and Viktor Orban, premier of Hungary, to connect the European countries by high-speed train on December 17.

The railway is expected to be complete by mid-2017 and will shorten travel time between Budapest and Belgrade to less than three hours.

The \$3.1 billion project will be 85 percent financed by China Development Bank and executed by Chinese state-owned enterprises.

The railway agreement "shows that China and Europe have found mutually beneficial ways to cooperate in the decades to come," Orban said after the ceremony. Li called the project "a corridor between China and Europe."

Analysts said the 400-kilometer railway is part of China's ambitious plan to speed up delivery of its exports to central Europe through Greece's port of Piraeus.

"This will put in place a new corridor between China and Europe and we hope to see an increased exchange of goods between China and Europe. The potential for increased exchange and investments is big, and a fast railway will definitely be beneficial for our trade and the development of all countries in the region," Li said.

Serbian and Hungarian officials welcomed the deal as well.

"This will help Serbia not only development its infrastructure and transportation but also build a new connection with our friends from Hungary, Macedonia and Greece. It will also bring a more significant connection to Europe," Vucic said.

"Historically, it was armies that were passing through Hungary, but now goods will be passing through by the new railway and we will finally benefit from our position," Orban said.

The plans for the railway were settled a year ago at he 2013 China-Central and Eastern European Countries Economic and Trade Forum.

However, the specifics of the financing process remain unclear. According to Portfolio, a Hungarian newswire, the duration of the debts will be codetermined by the three parties.

Andrassy Notay, former director of the Institute for World Economy at the Hungarian Academy of Sciences, said the main challenges of the project are financing and environmental protection. Andrassy urged the Hungarian government to embrace China's "New Silk Road" strategy and give China a real entrance to continental Europe. ■

### Vip.com Releases Asian Female Online Shopping Report

ith its carefully curated selection of brands, rock-bottom prices and limited-time offers, Vip.com is one of the most popular websites among female online shoppers.

Recent data from the company shows that it has more than 9 million registered members, 80 percent of whom are female. Female shoppers account for nearly 90 percent of Vip.com's total sales volume.

To study the female online shopping market, Vip.com partnered with Economist Intelligence Unit (EIU) to publish the first report on Asian female online shoppers. The report is based on data sampled from 5,500 female online shoppers in India, Japan, Singapore, Korea and China, as well as specific studies of the Hong Kong, Taiwan and Macao markets.

According to the report, as many as 30 percent of the female shoppers make their purchases while in bed

at night; 59 percent said they made impulse purchases while browsing; and 33 percent said they had little control over their buying impulses.

"We all think we can win in the e-commerce battle as long as we attract enough female customers," said Feng Jialu, vice president of Vip.com. The company has been retooling its desktop and mobile websites to better appeal to female buyers.

### **Report's Findings**

EIU said the Asian retail market would grow 4.6 percent in 2015 to reach \$7.6 trillion, putting it ahead of both the European and North American markets.

With female shoppers leading Asian purchases, the Asian consumer market is entering into "female times."

Among female respondents, more than 43 worked in management or services. About 83 percent were a signifi-



cant source of their household's income. More than twothirds said they maintained their own bank accounts, and 48 percent said they had their own credit cards.

About 15 percent of the Asian female respondents said they paid for their spouse's online purchases as well.

As Asian women's economic capability grows, they are also gaining financial discretionary power at home. More than 80 percent reported that they decide the family's budget for clothing, cosmetics and household items, as well as influence spending on electronic products, furniture and travel.

"Asian females direct their families' consumption to a great extent," said Laurel West, a senior analyst at EIU.

When choosing shopping websites, Asian females value brand, preferential price and certified product. Asian female shoppers typically consider brands and certifications more important than shoppers in other countries.

In recent two years, subjective consciousness has become a significant factor guiding the online shopping market. Impulse buys and mobile terminals are expected to greatly influence female's online shopping patterns in the future.

Unlike European and American females, Asian females treat online shopping as a social or recreational activity.

"The information in this report has been of great value to Vip.com, and even to the broader female consumption industry," Feng said. ■

(By Shu Pengqian)



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